



U.S. Senate Committee on Appropriations

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SENATE APPROPRIATIONS COMMITTEE CLEARS FISCAL YEAR 2009 FINANCIAL SERVICES AND GENERAL GOVERNMENT LEGISLATION Full Committee Mark

WASHINGTON, D.C.... The Senate Appropriations Committee today cleared Fiscal Year 2009 Financial Services and General Government Appropriations legislation that strongly supports America's regulatory agencies, including America's leading consumer safety watchdog, the Consumer Product Safety Commission (CPSC), and the Commodity Futures Trading Commission (CFTC), our nation's financial market regulator and watchdog. Overall, the bill provides \$44.8 billion in funding for a number of agencies within the Executive Branch; the Federal Courts; District of Columbia; the Small Business Administration, and other independent agencies.

"I applaud Chairman Durbin for crafting strong legislation that invests in critical priorities for America, including protecting consumers and promoting small business development," said Senator Robert C. Byrd, D-W.Va., Chairman of the Senate Appropriations Committee. "The current Administration has abdicated its responsibility to protect the American people from unsafe products, unscrupulous lenders, and out-of-control oil and gas speculation. The consequences have been severe. This legislation makes good on our responsibility to put the interests of the American consumer first."

"This year has been a difficult one for consumers -- a flood of unsafe products from China; oil and gas prices at record levels; and public health and safety agencies faltering in their responsibilities," said U.S. Senator Dick Durbin, D-IL, Chairman of the Senate Appropriations Financial Services subcommittee. "This bill provides the staff and resources that watchdog agencies like the Consumer Product Safety Commission need to protect consumers from dangerous products. It also makes sure that regulators, like the Commodity Futures Trading Commission, have the resources to get to the bottom of excessive speculation in the oil and gasoline market. This bill is fiscally responsible, transparent and makes great strides in dealing with problems facing American families."

In addition, the bill requires agencies to have guidelines for determining whether Federal employees rather than contractors should perform new functions or outsourced jobs. Furthermore, the bill temporarily halts any new privatization studies or job competitions to allow the next President an opportunity to evaluate federal workforce policies.

Department of Treasury:

\$12.7 billion, an increase of \$436.6 million (or 3.6%) over the FY08 enacted level and an increase of \$236.7 million (1.9%) over the President's budget request.

• Internal Revenue Service (IRS): The bill provides \$11.5 billion for the IRS, \$430.3 million (or 3.9%) over the FY08 enacted level and \$163.3 million (or 1.4%) over the budget request. An increased level -- \$2.2 billion -- is provided for Taxpayer Services. This is \$63.35 million above the FY08 level of \$2.1 billion. The President's requested flat funding for the program for FY09. Shortchanging resources available for taxpayer services sends the wrong signal, and is inconsistent with the equation at the centerpiece of the IRS' strategic plan: "Service + Enforcement = Compliance."

• Community Development Financial Institutions (CDFI): The bill provides \$100 million, an increase of \$71 million over the budget request.

Executive Office of the President:

\$747.6 million, an increase of \$68.1 million over the FY08 enacted level and a \$52.6 million (7.5%) increase over the FY09 request.

- Office of National Drug Control Policy: The bill provides \$472.2 million in funding for the office responsible for the policies, priorities, and objectives of the Nation's drug control programs. This funding level restores the President's suggested cuts to anti-drug programs and represents a 12% increase over the FY08 enacted level.
- White House Office of Policy Development: The Bush Administration eliminated the Office of AIDS Policy. Durbin's bill provides \$1.4 million to support a future administration's efforts to coordinate a government-wide AIDS strategy.

Judiciary:

\$6.1 billion, an increase of \$297.3 million (or 5.1%) over the FY08 level and \$200 million below the FY09 budget request.

The District of Columbia:

\$722 million in Federal payments, a \$112.2 million (18%) increase over the FY08 enacted level and a \$55 million (8%) increase over the FY09 budget request. The bill also approves the District's local budget of \$10 billion.

- 75% of the Federal payments to the District is for local courts, defender services, and pre-trial and post-conviction offender supervision, all of which are independent of the Mayor and local District government.

Independent Agencies:

- **Commodity Futures Trading Commission (CFTC):** The bill provides \$157 million, an increase of \$45 million (or 40%) over FY08 enacted level and \$27 million (21%) over the FY09 request. Increase supports staffing increases and IT enhancements for implementation of new mandates under the 2008 farm bill, more aggressive market oversight in energy arena, and enhancement of collection, transparency, and timeliness of trading data.
- **Consumer Product Safety Commission (CPSC):** The bill allocates \$95 million to the CPSC, an increase of \$15M (19%) over last year's enacted level and the FY09 budget request. With the increased funding, CPSC can create a database for consumer complaints and hire additional employees for the Inspector General, for new rule-makings, and in China and Asia.
- **Securities and Exchange Commission (SEC):** Funding of \$938 million is provided for the SEC in the bill. The proposal is \$25 million (3%) over request and \$32 million (4%) over the FY08 enacted level. The increase supports additional staffing for oversight and enforcement of complex security products, credit markets in light of subprime debacle, and credit rating agencies.
- **Federal Communications Commission (FCC):** The bill adds \$3 million above the budget request for a new competitive grants program supporting broadband development at the state level. The remainder of the \$341.9 million total funding provided is equal to the FY09 budget request.
- **General Services Administration (GSA):** Fully funds the President's requested federal building construction and repair projects.
- **Small Business Administration.** The bill provides \$766 million, an increase of \$107 million over the budget request. The increase supports \$22.5 million for the Microloan program and \$110 million for Small Business Development Centers.

General Provisions:

- **COLA:** The bill includes a 3.9% cost-of-living increase for federal employees, an increase over the President's requested 2.9% COLA for federal employees. The House also provided a 3.9% increase for federal employees. Since the House and Senate Defense authorization bills include a 3.9% increase for military employees, the 20-year tradition of pay parity between military and civilian employees is continued.

The subcommittee was allocated \$22.87 billion in discretionary budget authority in addition to \$21.88 billion in mandatory spending. This is a \$2.16 billion increase (10.4%) in discretionary funding over last year's level.

The Financial Services and General Government Subcommittee is a new subcommittee in the 110th Congress. Senator Sam Brownback (R-KS) is the subcommittee's Ranking Member.